

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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|-----------------------------------|---|-----------------|
| THE JOINT APPLICATION OF UNITED |) | |
| STATES CELLULAR OPERATING |) | |
| COMPANY AND WESTEL-MILWAUKEE |) | |
| COMPANY, INC. FOR APPROVAL OF THE |) | |
| ACQUISITION OF THE KENTUCKY |) | CASE NO. 97-108 |
| JURISDICTIONAL CELLULAR ASSETS OF |) | |
| UNITED STATES CELLULAR OPERATING |) | |
| COMPANY AND CERTAIN OF ITS |) | |
| AFFILIATES BY WESTEL-MILWAUKEE |) | |
| COMPANY, INC. |) | |

O R D E R

United States Cellular Operating Company ("USCOC"), and certain of its affiliates, and Westel-Milwaukee Company, Inc. ("Westel") have applied to the Commission for approval of the transfer of USCOC of its Kentucky cellular assets to Westel, and Westel's acquisition and operation of the assets. The application is filed pursuant to KRS 278.020(4) and (5).

Westel plans to acquire assets for providing service in Kentucky Rural Service Areas No. 1, 2, 3, 9, 10, 11, the Evansville, Indiana MSA, including the Kentucky portions thereof, and the Owensboro, Kentucky MSA currently owned by USCOC and certain of its affiliates' cellular interests. The acquisition will occur through a series of asset exchanges. Afterwards, the operating systems in Kentucky Rural Service Areas

No. 1, 2, 3, 9, 10, 11, and the Owensboro and Evansville MSA's will be operated by Westel.

BellSouth Corporation, the indirect corporate parent of Westel, has adequate capital resources for the acquisition. BellSouth Corporation's subsidiaries provide cellular service to 3.6 million customers. Westel has the financial, technical and managerial abilities to provide reasonable service in Kentucky. Westel will operate the USCOC properties in conjunction with the systems currently operated by other BellSouth affiliates in Kentucky, thus providing a seamless network. It does not intend to adopt USCOC's current tariff, but will file a tariff with the Commission prior to the conclusion of the proposed acquisition.

Pursuant to KRS 278.020(4), persons under the jurisdiction of the Commission must receive Commission approval prior to the acquisition or transfer of ownership or control of a utility. Pursuant to KRS 278.020(5), no utility shall acquire control either directly or indirectly of any utility furnishing service in this state without having first obtained approval of the Commission.

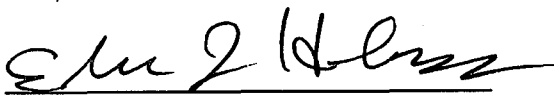
Having considered the proposed transaction and having been otherwise sufficiently advised, the Commission HEREBY ORDERS that:

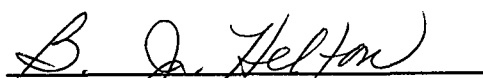
1. The transfer by USCOC and its affiliates, and the acquisition by Westel of assets for providing cellular service in Kentucky Rural Service Areas No. 1, 2, 3, 9, 10, 11, the Evansville, Indiana MSA, and the Owensboro, Kentucky MSA, is approved.
2. Westel shall file its tariff for service in Kentucky within 20 days of the consummation of this acquisition.

Done at Frankfort, Kentucky, this 12th day of May, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director